

H.133

Introduced by Representatives Willhoit of St. Johnsbury, Beck of
St. Johnsbury, Beyor of Highgate, Buxton of Tunbridge, Deen
of Westminster, Krebs of South Hero, Lefebvre of Newark,
McCullough of Williston, Parent of St. Albans City, Sheldon of
Middlebury, and Tate of Mendon

Referred to Committee on

Date:

Subject: Commerce and trade; economic development

Statement of purpose of bill as introduced: This bill proposes to create a
lending program within the Vermont Economic Development Authority to
assist businesses adversely impacted by regulation of microbeads to transition
to production of environmentally sound substitute products.

An act relating to supporting the green manufacture in Vermont of
microbead alternatives

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 10 V.S.A. § 280bb is amended to read:

§ 280bb. VERMONT ENTREPRENEURIAL LENDING PROGRAM

(a) There is created the Vermont Entrepreneurial Lending Program to be
administered by the Vermont Economic Development Authority. The Program

1 shall seek to meet the working capital and capital-asset financing needs of
2 Vermont-based businesses in seed, start-up, and growth stages. The Program
3 shall specifically seek to fulfill capital requirement needs that are unmet in
4 Vermont, including:

5 (1) loans up to \$100,000.00 to ~~manufacturing businesses and~~ software
6 developers with innovative products that typically reflect long-term, organic
7 growth;

8 (2) loans up to \$1,000,000.00 in growth-stage companies that do not
9 meet the underwriting criteria of other public and private entrepreneurial
10 financing sources; ~~and~~

11 (3) loans to businesses that are unable to access adequate capital
12 resources because the primary assets of these businesses are typically
13 intellectual property or similar nontangible assets; and

14 (4) loans to advanced manufacturers and other Vermont businesses for
15 product development, intellectual property design, and capital requirements.

16 (b) The Authority shall adopt regulations, policies, and procedures for the
17 Program as are necessary to increase the amount of investment funds available
18 to Vermont businesses whose capital requirements are not being met by
19 conventional lending sources.

20 (c) When considering entrepreneurial lending through the Program, the
21 Authority shall give additional consideration and weight to an application of a

1 business whose business model and practices will have a demonstrable effect
2 in achieving other public policy goals of the State, including:

3 (1) The business will create jobs in strategic sectors such as the
4 knowledge-based economy, renewable energy, advanced manufacturing, wood
5 products manufacturing, and value-added agricultural processing.

6 (2) The business is located in a designated downtown, village center,
7 growth center, industrial park, or other significant geographic location
8 recognized by the State.

9 (3) The business adopts energy and thermal efficiency practices in its
10 operations or otherwise operates in a way that reflects a commitment to green
11 energy principles.

12 (4) The business will create jobs that pay a livable wage and significant
13 benefits to Vermont employees.

14 (5) The business will create environmental benefits or will manufacture
15 environmentally responsible products.

16 (d) In addition to considering the factors in subsection (c) of this section,
17 the Authority shall give preference in its lending decisions to Vermont-based
18 manufacturers that are adversely impacted by the State's regulation or a State
19 ban of manufactured products. The Authority shall provide Program funding
20 to assist these businesses as they transition from the manufacture of the

1 regulated or banned products to the design and manufacture of
2 environmentally sound substitutes.

3 (e) The Authority shall include provisions in the terms of a loan made
4 under the Program to ensure that a loan recipient shall maintain operations
5 within the State for a minimum of five years from the date on which the
6 recipient receives the loan funds from the Authority or shall otherwise be
7 required to repay the outstanding funds in full.

8 Sec. 2. EFFECTIVE DATE

9 This act shall take effect on July 1, 2015.